

CA3 ONHW Q60

87 R23

URBAN/MUNICIPAL

Regional headquarters  
site.



SITE COST COMPARISON

<u>Site</u>	<u>Land Cost</u>	<u>Bldg. Cost</u>	<u>Total</u>
1. Southern Wing	\$600,000.	\$22,924,000.	\$23,524,000.
2. Bay & Jackson	\$600,000.	\$23,463,000.	\$24,063,000.
3. Board of Education	\$3,000,000.	\$25,300,000.	\$28,300,000.
4. Bank of Montreal	\$2,000,000.	\$24,460,000.	\$26,460,000.
5. C.I.B.C.	--	--	--

Sources: Land Cost estimated by Property Department

Building Cost estimated by Architect's Department -  
for detail see their memo.

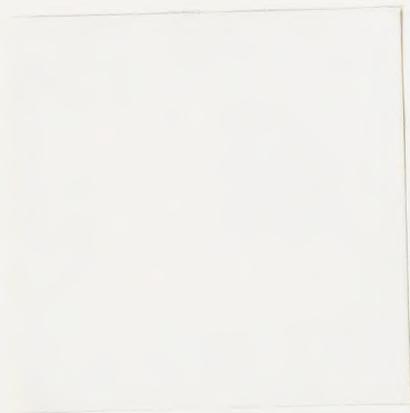
EVALUATION OF SITES:

Advantages of City Hall sites:

- Putting all the Regional and City functions close together increases efficiency by minimizing the travel time between offices and between offices and meeting rooms.
- It also increases public convenience if people are visiting more than one municipal office.
- Since putting the functions close together would allow some functions to move out of City Hall, it would ease the crowding which exists there now.
- City Hall site would have lower land costs.
- The Southern Wing of City Hall option has the additional advantage of being able to use the present City Hall lobby space and also minimize corridor connections when compared to the free-standing building at Bay and Jackson.

Disadvantages of City Hall sites:

- These sites would provide the least identity for Hamilton-Wentworth building.
- These would be the least flexible of the building sites for future expansion since it would be relatively more difficult to build and rent surplus space because the location will be less rentable than the other sites being looked at.
- Building on the City Hall site would make no contribution to downtown new development.



Evaluation of non-City Hall sites:

Advantages of Board of Education Parking Lot site:

- This is a large site which would have few constraints on development.
- It would be relatively easy to develop surplus parking as part of the building programme, perhaps to accommodate Board of Education requirements, also to be managed as part of the downtown supply of public parking.
- The site has good visibility so that it would have a good identification for Hamilton-Wentworth.
- It would probably also be easy to build and rent extra space.

Disadvantages of the Board of Education Parking Lot site:

- The site will be inefficient compared to the City Hall sites when taking into account travel time between offices and between offices and meeting rooms.
- For this reason it will not help to alleviate crowding in City Hall.
- It will also require dealing with a third party for acquisition.
- Construction of a Regional building here will not act as a stimulus for private redevelopment compared with the CIBC proposal.
- Cost control would be more problematic since we would be dealing with a new building design and would have to assume the risks of renting the surplus space.

Advantages of Bank of Montreal site:

- Good identity for Hamilton-Wentworth Headquarters.
- Good quality which could come from incorporating the former Bank building.

Disadvantages of Bank of Montreal site:

- The disadvantages would be similar to the other non-City Hall sites with the added disadvantage that the site appears to be attractive for private development and there is no point in the Region competing with private developers for the site.
- More difficult development than the Board of Education lot owing to the smaller size of the site and the need to respect the heritage qualities of the Bank building.



Advantages of the CIBC site:

- Provides the greatest of flexibility for future space needs since the owner will bear the risks of building the extra space and guarantee the Region expansion rights as the other leases expire.
- Since the building design is known and would be built to our lease agreement, costs can be strictly controlled.
- The tower can complete two links in the downtown pedestrian network - the connection from the tower to the Ellen Fairclough Building - including a connection to the transit stops on MacNab Street, and a connection to Jackson Square.
- Costs for this project will not begin until occupancy and annual lease costs may be more affordable than the cost of building our own building.
- Involvement in Tower 2 will guarantee the completion of this private redevelopment.

Disadvantages of CIBC site:

- This site shares the disadvantages of the non-City Hall sites due to the travel time between offices and offices and meeting rooms and also will not help the space problem in City Hall.
- Since this location would be leased and not owned, it would not provide a permanent location for Hamilton-Wentworth.
- The costs over a long term of renting space may be more expensive than owning.

CONCLUSION:

The two sites for further consideration should be the Southern Wing of City Hall and the CIBC Tower 2.

The Southern Wing has advantages of closeness to City Hall and will be cheapest to construct.

The CIBC Tower 2 provides the maximum flexibility and cost control, with good Regional identity and complete re-development of this block.

JDT:lmj  
Encl.

*Jim Morris*



FEB 13 1987

1987 February 12th

Jim Thoms,  
Planning Commissioner

### BUILDING COSTS

In February, 1985 a detailed report was prepared on potential cost of a City Hall addition which included most desirable features, such as:

- a) fully sprinklered
- b) louvre protection to east and west windows and reflective glass to reduce cooling load
- c) accessible floor in office areas
- d) additional Committee rooms

The cost estimate at that time was \$104. per square foot of gross area. Since February, 1985, the construction cost index has risen by 15%. It is predicted to rise by 10% in 1987 and a lesser amount in 1988.

In the cost comparison, it is assumed that the cost of making connections and alteration to the existing City Hall is about similar to the cost of additional cladding and mechanical costs for the schemes which are free-standing buildings (about \$570,000.). Cost of adding sprinklers to existing City Hall is not shown - estimated current cost \$1,000,000.

#### For Bay/Jackson Scheme

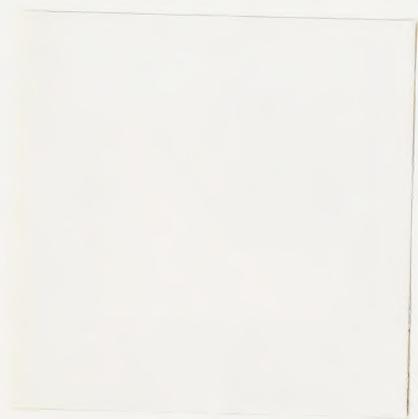
Gross Floor Area = 10 floors @ 15,000 . . .	150,000
mechanical penthouse . . .	8,000
ground floor . . . . .	4,000
entry level . . . . .	2,000
	<u>164,000</u> square feet

Current Cost at \$120./sq.ft.. . . . .	\$19,680,000.
Connecting corridor to City Hall . . . . .	250,000.
Parking deck - assume 200 cars @ \$7,000. . . . .	1,400,000.
Estimated professional fees, moving costs, sundry	
administration costs @ 10% . . . . .	<u>2,133,000.</u>
	\$23,463,000.

#### For School Board Property Scheme

Gross floor area . . . . .	180,000 * square feet
Current cost at \$120./sq.ft. . . . .	\$21,600,000.
Parking deck - assume 200 cars @ \$7,000. . . . .	1,400,000.
Estimate professional fees, moving costs,	
sundry administration @ 10% . . . . .	<u>2,300,000.</u>
	\$25,300,000.

\* assuming larger area as calculated earlier due to remoteness from City Hall.



## For South Wing, City Hall Scheme

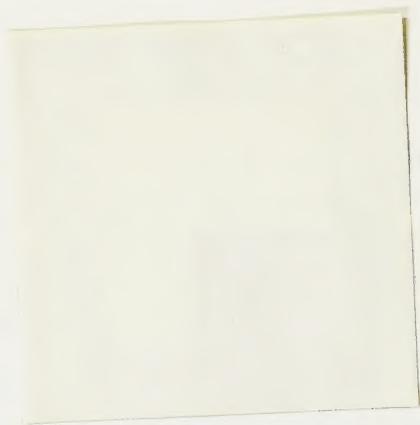
Gross floor area . . . . .	162,000 square feet
(similar to Bay/Jackson except entry level not required)	
Current cost at \$120./sq.ft. . . . .	\$19,440,000.
Parking deck, assume 200 cars @ \$7,000. . . . .	1,400,000.
Estimated professional fees, moving costs, sundry administration @ 10% . . . . .	<u>2,084,000.</u>
	\$22,924,000.

## For Bank of Montreal Building Scheme

Existing building contains about 30,000 square feet	
Assuming use can be made of 75% of this space, new space required can be reduced to (180,000. - 75% x 30,000.) = 157,500 sq. ft.	
Current cost at \$120./sq.ft. . . . .	\$18,840,000.
Parking deck and underground for 200 cars @ \$10,000.	2,000,000.
Renovation of Bank of Montreal building (very rough estimate) . . . . .	1,000,000.
Professional fees, moving costs, sundry costs @ 12% *	<u>2,620,800.</u>
	\$24,460,800.

\* due to higher fees for renovation

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